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UNCLAS SECTION 01 OF 02 SANTO DOMINGO 000765

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SUBJECT: REFERENDUM PROCESS COMES TO DOMINICAN POLITICAL SYSTEM

¶1. (U) Summary: On July 9, the Dominican Congress approved a constitutional amendment confirming the ability of municipalities to hold plebiscites. That same evening, the mayors of three municipalities in which an historic referendum was held last May thanked and bid farewell to the Canadian Ambassador who had played a key role in supporting the plebiscite. The referendum allowed people in three towns to vote on development plans that had been formulated through a process that brought together the private sector, local officials and non-governmental organizations. The Canadian Embassy gave technical assistance for the plans' development and helped organize international observers the day of the referendum. According to results from the Dominican Central Elections Committee (JCE), the "yes" vote won by a large margin in all three locales (Maimon, Fantino and Cotui), with overall turn-out reaching 13 percent. While the process was not perfect, it marked a modest advance for Dominican participatory democracy. That exercise, and the new constitutional provision, will likely bolster use of plebiscites in the future. End Summary.

Background

¶2. (U) After several months of consultations and preparations, development plans for three municipalities in the heart of the Dominican Republic were subjected to a referendum, in accordance with a 2007 law (176-07). The Canadian Embassy, which had provided technical assistance during the preparation of these plans, invited Post to send observers. The Embassy sent one officer each from ECOPOL, Consular Affairs and USAID. These joined Dominican and international observers (from Colombia, Bolivia, the OAS and elsewhere) in the municipalities of Maimon, Fantino and Cotui. These municipalities have voter roles of just over 13,000, 17,000 and 40,000, respectively.

¶3. (U) The voters in these areas were asked to vote simply "yes" or "no" on five-year development plans drawn up through a series of meetings involving the towns' mayors, educators, other local officials, private sector representatives, religious groups and other non-governmental organizations. The plans were completed in December 2008. Participants in the process formed working groups to identify specific goals for the next five years in such areas as environment (e.g., reforestation of 40 percent of the river basins around Maimon), health (e.g., reduce drug use by 20 percent in Maimon) and education (e.g., reduce illiteracy in Maimon by 3 percent).

¶4. (U) The impetus for action in these specific municipalities apparently came from past and possible future mining activities in the area. There is a ferronickel mine near Maimon, although it closed a few months ago due to the fall in global prices for nickel. There is also a gold and copper mine near Cotui, and Fantino - according to a local businesswoman - is on the receiving end of waters that flow from the mines and levels of poverty and unemployment are

significant.

Referendum Day

15. (U) Voting was held from 9 am to 4 pm on Sunday, May 3 in all three municipalities. The votes were counted in each voting center (usually a school) and the results scanned for tabulation by 5:00 pm. In Maimon, a kick-off press conference including the Mayor, an observer from Bolivia (where plebiscites have been used for decades), a Canadian observer and other dignitaries, took place at 10:30 am. Also facing the cameras was the Mayor of Piedra Blanca, a nearby town planning to create and vote on its own development plan.

The message from the panel was that the referendum process represents a step forward and a means for ensuring that local resources are used as the people want, not just as politicians chose. At the same time, the banner behind the assembled speakers clearly said "Si" (yes) and featured the logos of the "Fundacion Falconbridge" (associated with the mining company Falconbridge) and Barrick Gold (a Canadian-based global mining company) - entities with some interest in the minerals near the three towns, as well as the plebiscite process.

16. (U) Poloff and Consoff observed people arriving at voting centers, showing their identification cards ("cedulas") and being directed to the appropriate room to vote. While the process generally seemed to work smoothly, in some classrooms the cardboard "booths" did not completely shield the voter as he/she marked the ballot. Although officials in the actual voting rooms did not wear "Yes" buttons, a noticeable number

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of organizers sported such buttons in and around the polling locations. There was little evidence of a "no" campaign.

17. (SBU) Brochures which seem to have been used to inform the public and get out the vote were available. However, officials did not have available copies of the plans or summaries thereof, except in Maimon. When asked, several voters said that there had been an information campaign about the referendum, but that they did not have many details regarding the development plans. In Maimon, one organizer and school teacher enthused about the plan said that it would allow for more investment in education, not least technical training. "It is good to read and write, but vocational education will help people get jobs," she noted. In the same town, however, one man who claimed to have been the President of the local council (but not the Mayor), appeared at schools to denounce the process. He claimed that the referendum law only allowed for four (4) year plans, and that the process by which the plan was formulated was not very representative, involving just the Mayor and certain "economic interests." On the other hand, the school teacher had also referred vaguely to "interests" that opposed the plan.

Comment

18. (U) The referendum was peaceful and the organizers, including the Dominican Federation of Municipalities (FEDOMU), did a good job facilitating the process. It was heartening to see a good number of civically-minded Dominicans striving to make a new, grass-roots exercise function well. Within days of the referendum, the JCE reported that overall turn-out was just over 13 percent - slightly higher than Latin America's norm of 12 percent for plebiscites.

19. (SBU) However, the involvement of the mining companies in the referendum process was reinforced at the July 9 farewell for Canadian Ambassador Fortier. That event was clearly sponsored by Barrick and the Ambassador said she was,

"Pleased (that) the first companies to accept the challenge (of partnering with local institutions) were the companies Barrick Gold and FALCONDO, which have a track-record of corporate social responsibility." These companies supported the referendum process, even if they did not promote a "yes" vote. (Again, however, their logos appeared on a least one banner proclaiming "Si.") As USAID later noted, the overwhelming "yes" vote (96 percent overall), suggests that there were flaws or limitations with respect to popular participation.

¶10. (U) Passage of a constitutional provision should reinforce use of law 176-07, as well as the "decentralization" process in the Dominican Republic generally. The town of Piedra Blanca is considering following the example of its neighbors. Another opportunity to watch the use or abuse of the referendum process may arise in the capital. Prominent Reformista Party leader - and Santo Domingo region legislator - Victor "Ito" Bisono called for a referendum to be held in the National District of Santiago and Santiago Province. These areas have drawn up development plans, but until Bisono's call, it did not appear that these would be subject to public approval. Bisono's statement also criticized the Council for the National District (or "ADN"), for handling urban development monies in a non-transparent way over the course of many years. Bisono hopes citizens will demand a referendum, to help ensure that funds are accounted for and used to help poorer areas of the national capital area.

¶11. (U) Meanwhile, the three municipalities remain underdeveloped despite the richness of the land (in terms of minerals, agriculture and tourist potential) around them. The summary of the development plan for Maimon, for instance, contains many good ideas. Yet it remains to be seen whether these projects will actually be funded and implemented. As the Canadian Ambassador put it on July 9, "The focus now turns to local governments; it falls to them to demonstrate their commitment (and) to implement the plans approved by their communities through the plebiscites(.)" End Comment.

BULLEN